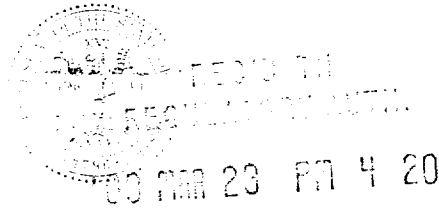


TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

March 23, 2000

EXECUTIVE SECRETARY

Parties of Record

RE: Petition to Convene a Contested Case Proceeding to Establish Permanent Prices for Interconnection and Unbundled Network Elements Docket No. 97-01262

Pursuant to the TRA's Interim Order on Phase I (January 25, 1999) and Order for Reconsideration and Clarification of Interim Order on Phase I (November 3, 1999) BellSouth and AT&T filed on December 1, 1999 revised cost studies.

BellSouth and AT&T/MCI provided cost studies supporting proposed prices for unbundled network elements. However, the Authority requests that BellSouth and AT&T/MCI provide the following to the TRA and other parties of record by March 31, 2000, 12:00 noon:

1. The attached list completed with each party's proposed cost for each element.
2. Where the cost is not available for an element, explain the reason.
3. For the following adjustments as suggested by AT&T in the BellSouth TELRIC Calculator, each party is invited to identify each UNE whose cost is affected by each adjustment:
 - a. Use of 100% integrated digital loop carrier and 0% universal digital loop carrier.
 - b. Use of 100-foot drop length for labor contract burial and installation cost.
 - c. Provision of loop-switching combinations.
 - d. Removing all separate charges for vertical features.

In addition, the Authority requests that BellSouth provide the following:

1. Explain precisely Attachment 2, F.1.1 OSS Electronic Interface Cost, per UNE; especially the derivation of the 2.5 Average Number of UNEs Per Order and the 2.9 Churn Factor.
2. Do BellSouth retail operations use or benefit from any OSS systems? If so, how? If no, explain why.

3. Clarify the derivation of the distribution of DLC provided in its footnote 1 in the Reply Comments to explain the split of 21.28% UDLC and 44% Copper, specifically explain why the sum of universal DLC and Copper does not add to 100%.

Should you have any questions regarding this request, please contact Aster Rutibabalira 741-2904, ext. 155.

Sincerely,

A handwritten signature in black ink, appearing to read "David Waddell". The signature is stylized with a large, bold "D" and "W".

David Waddell
Executive Secretary

Attachment

cc: Counsel for other Parties of Record

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